GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:2453
ANSWERED ON:17.03.2008
PROMOTION OF KHANDSARI INDUSTRY
Chinta Mohan Dr. ;Singh Shri Rajiv Ranjan (Lalan)

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government proposes to promote Khandsari Industry in the country to meet the problem of overproduction of sugarcane; and

(b) if so, the details thereof alongwith the incentives provided to the Khandsari industry during the last one year and the current year, State-wise?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a) & (b): There is already a scheme in existence, monitored by the Ministry of Micro, Small and Medium Enterprises to give incentives to khandsari industry, which uses sugarcane as raw material for production of khandsari. The Government has been implementing interalia the Rural Employment Generation Programme (REGP) through the Khadi and Village Industries Commission (KVIC) for assisting the entrepreneurs in establishing village industry (V.I.) units, including khandsari units, in rural areas and small towns with population upto 20,000, by availing of margin money assistance from KVIC and loans from public sector scheduled commercial banks, selected regional rural banks, cooperative banks, etc., for projects with a maximum cost of Rs. 25 lakh. Khandsari units are promoted under the `Agro and food processing industry (AFPI) Group`, which is one of the seven groups under which the village industries under the REGP are broadly categorized.

The State/Union Territory-wise details of projects/ V.I. units set up, and margin money assistance provided to the AFPI group of the village industries under REGP, during 2006-07 and 2007-08 (upto February, 2008) are given in the Annex.